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BEFORE THE ARIZONA CORPORATION COMMISSION**COMMISSIONERS**

BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

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Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION OF
COLUMBUS ELECTRIC COOPERATIVE, INC.
FOR AN INCREASE IN RATES AND FOR
OTHER RELATED APPROVALS.

DOCKET NO. E-01851A-13-0252

PROCEDURAL ORDER
AMENDING RATE CASE
PROCEDURAL ORDER

BY THE COMMISSION:

On July 23, 2013, Columbus Electric Cooperative, Inc. ("CEC" or "Cooperative") filed with the Arizona Corporation Commission ("Commission") an Application for a rate increase.

On August 21, 2013, the Commission's Utilities Division ("Staff") notified the Cooperative that its application was sufficient pursuant to A.A.C. R14-2-103.B.7, and classified CEC as a Class C utility.

By Procedural Order dated August 29, 2013, the matter was set for hearing and various procedures and deadlines established.

On January 23, 2014, CEC filed a Motion to Expedite in order to have this matter considered on the Commission's regular Open Meeting in March 2014. CEC requests that the March 6, 2014 hearing be vacated because there are no issues in dispute, and that CEC be authorized to provide notice to its Arizona customers that because the hearing is being vacated written public comments should be filed by February 20, 2013. CEC notes that A.R.S. §40-250A provides that because CEC is a member-owned non-profit cooperative, rate relief can be granted with or without a hearing. CEC expressly waives its right to a hearing.

Staff supports the request. CEC and Staff are the only parties. The deadline for intervention has passed. The pre-field testimony indicates that the parties have no disputes. The only public comment received to date supports implementation of the new rates as soon as possible. The

1 proposed rates are already in effect in CEC's New Mexico service area, which accounts for 92
2 percent of CEC's consumers and 93.4 percent of CEC's kWh sales.

3 CEC's request is not unreasonable. The proposed rate structure appears to provide a benefit to
4 Arizona ratepayers over the current rates by decreasing rate volatility, and the request to expedite
5 implementation of the new rates appears to be supported by CEC's Arizona ratepayers. However,
6 although there are no issues between the parties, the proposed process does not allow for the
7 Commission to question or seek clarification from the parties on their positions. Thus, the vacated
8 March hearing date will be replaced by a telephonic hearing scheduled for February in order to allow
9 an opportunity to question the parties, but also facilitate the issuance of a Recommended Order in
10 time for the March 2014 Open Meeting.¹

11 CEC filed with its Motion a proposed form of notice that would inform its Arizona customers
12 of the vacated hearing and process for filing written public comment. Staff has reviewed the proposed
13 form of notice and is in support of the request.

14 IT IS THEREFORE ORDERED that the **hearing** in this matter currently **set for March 6,**
15 **2014 is vacated.**

16 IT IS FURTHER ORDERED that a **telephonic hearing** shall commence on **February 11,**
17 **2014, at 10:00 a.m.,** or as soon thereafter as is practical, at the Commission's offices, **Room 218,**
18 **400 West Congress, Tucson, Arizona 85701.**

19 IT IS FURTHER ORDERED that CEC shall provide public notice of the vacated hearing in
20 this matter, in the following type size, form and style with the heading in no less than 14 point bold
21 type and the body in no less than 10-point regular type:
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28 ¹ Although the schedule is being accelerated to accommodate CEC's request there is no guaranty that an Order can be prepared in time for the regularly scheduled March Open Meeting.

PUBLIC NOTICE OF VACATING HEARING ON THE
RATE APPLICATION OF
COLUMBUS ELECTRIC COOPERATIVE, INC.
Docket No. E-01851A-13-0252

On July 23, 2013, Columbus Electric Cooperative, Inc. ("CEC" or "Cooperative") filed an application with the Arizona Corporation Commission ("Commission") in which CEC is seeking Commission approval for an increase in rates and to set a new base cost of power; a revision to the Fuel and Purchased Power Cost Adjustor; a Temporary Fuel and Purchased Power Costs Adjustor Surcharge; new Line and Service Extension Rules and Forms; and certain tariff revisions. The proposed changes to rates would result in an increase in annual revenues from Arizona customers of \$21,590, or 2.57 percent. The increase will vary between customer classes and among individual consumers within a class depending on usage. Under the rates proposed by the Cooperative, the residential customer charge would increase \$7.65, from \$12.35 to \$20.00, and the energy charge would increase \$0.02867 per kWh, from \$0.0864 to \$0.11507 per kWh.

The Commission's Utilities Division Staff has made recommendations regarding the Company's rate proposal, generally supporting the Company's requests, and the Company has agreed to and accepted all of Staff's recommendations. Additionally, the Company has waived its right to a hearing on the Application and moved for the hearing to be vacated. The Company asked the Commission for the expeditious implementation of the proposed and recommended rates and other related approvals. Accordingly, the hearing has been vacated in order to expedite implementation of the rates and related approvals in this matter.

How You Can View or Obtain a Copy of the Rate Proposal

If you have any questions concerning the recommended rate proposal and other related approvals sought in this matter, you may contact the Company at: **Chris Martinez, General Manager, Columbus Electric Cooperative, Inc., P.O. Box 631, 900 N. Gold, Deming, New Mexico 88031, 1-800-950-2667 or 1-575-546-8838, or chrism@col-coop.com.**

Public Comment Information

The hearing that was scheduled for **March 6, 2014 at 10:00 a.m.**, has been vacated.

Public comments will be taken in writing on or before **February 20, 2014**, and must be submitted by mailing a letter referencing Docket No. W-01851A-13-0252 to Arizona Corporation Commission, Consumer Services Division, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/divisions/utilities/forms/PublicCommentForm.pdf>. If you require assistance, you may contact Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public hearings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the Commission's

1 ADA Coordinator, Shaylin Bernal, E-mail SABernal@azcc.gov, voice phone number (602) 542-
2 3931. Requests should be made as early as possible to allow time to arrange the accommodation.

3 IT IS FURTHER ORDERED that CEC shall mail the Public Notice to its Arizona
4 customers and have it published at least once in a newspaper of local circulation in its Arizona
5 service territory, with mailing and publication to be complete by February 10, 2014.

6 IT IS FURTHER ORDERED that CEC shall file certifications of mailing and publication as
7 soon as practicable after they have been completed.

8 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and
9 publication of same, notwithstanding the failure of an individual customer to read or receive the
10 notice.

11 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
12 Communications) applies to this proceeding and shall remain in effect until the Commission's
13 Decision in this matter is final and non-appealable.

14 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
15 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

16 DATED this 27th day of January, 2014.

17 
18 JANE L. RODDA
ADMINISTRATIVE LAW JUDGE

19 Copies of the foregoing mailed
20 this 27th day of January, 2014 to:

21 Charles C. Kretek, General Counsel
22 Columbus Electric Cooperative, Inc.
Post Office Box 631
23 Deming, New Mexico 88031-0631

24 Janice Alward, Chief Counsel
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27 By: 
28 Jane L. Rodda